

## **ECONOMIC DEVELOPMENT OBJECTIVES**

---

### **Objective #1:**

**To cultivate a supportive environment for entrepreneurship, the Economic Development Division will enhance the growth of Cambridge's economy by stabilizing income eligible micro-enterprises with business development services.**

### **Number of Businesses/Individuals to be Served:**

The Department will continue its support of Cambridge small business by contracting with non-profit organizations and other contractors to provide pre-business and business development educational services for low and low-moderate income micro businesses through workshops, seminars, class series and in-house consultations.

In FY 2004 the City expects 90 income eligible micro-enterprises to be served through workshops, classes and in-house consultations conducted by sub-recipients and/or contractors. Of these clients, 70 will be micro-enterprises served through workshops, classes and seminars conducted by non-profits; and 20 will be micro-enterprises served through in-house consultations conducted by contractors.

**Of the 90 income-eligible micro-enterprises to be served, 32 will be individuals and/or businesses located within the Neighborhood Revitalization Strategy area. 22 individuals will be served through the Financial Literacy Program and 10 businesses will be served through the Best Retail Practices program.**

### **Expected Resources:**

- ***Federal Funds***  
FY04 Community Development Block Grant  
Prior year CDBG funds
- ***Local Funds***  
Local Taxes
- ***Private Funds***  
Local and Regional Banks  
Sponsorship  
Business Owners  
Other

Program & Services	Outputs	Outcomes
Enhance the growth of Cambridge's economy by cultivating small businesses with business development services through the <b>Getting Started in Business</b> seminars, the <b>Business Planning Workshop</b> series, <b>Marketing for Family Childcare Providers</b> and <b>Financial Literacy Training</b>	Offer seminars and workshops for existing and aspiring entrepreneurs which provide the fundamentals for launching a business, workshops designed to help clients understand essential elements of a business plan, marketing strategies and information essential to establishing contractual materials and the basics for attaining a higher level of financial understanding	<b>1. Improvement in Economic Health</b> <b>2. Investment in the Community</b> <b>3. Increase in Profitability</b> <b>4. Financial Stability</b> <b>5. Increased Hope</b> <b>6. Increased Skills and Ability</b> <b>7. Increase Self-Esteem</b> <b>8. Job Creation</b> <b>9. Increase in Community Assets and</b> <b>10. Family Stability</b>
Assist income eligible micro-enterprise retailers and restaurants owners in increasing business growth through the <b>Best Retail Practices Program</b>	Workshop, individual consultations and a grant assistance program to provide expert advice and recommendations on physical improvements to establishment interiors and marketing tips, grants awarded for help with the financial costs of the recommended improvements	<b>1. Increase in Profitability</b> <b>2. Improvement in Economic Health</b> <b>3. Investment in the Community</b> <b>4. Increased Skills and Ability and</b> <b>5. Job Creation</b>

### Strategies and Resources:

- **Best Retail Practices Program:** This program was established in September 2001 to assist low-mod income micro-enterprise independent retail and restaurant owners to boost their sales, grow their businesses with a goal of hiring additional low-mod income employees. The program provides participants with expert advice on improving the interior design of their establishments and developing better marketing plans. The three-month program will run two times during FY04.

In FY04, the goal of the program is to serve a total of 20 participants in the three-part program: Phase I – Workshop, Phase II – In-store Consultations and Phase III Grant Assistance Program.

- **Business Planning Workshop Series:** The program will consist of 2 cycles, one 4-part workshop per cycle. Clientele learn to prepare and understand the essential elements of a business plan. The goal of the program is to reach a minimum of 10 income eligible micro-businesses per cycle for a total of 20 clients served. During the first year of implementation (FY'04), these measurements will be established as a based line for future outcomes.

1. Start a business within 1 year: 5
2. Understand the start up process for long-range future business start: 15
3. Assess feasibility and decide not to start a business at this time: 5

- **Business Plan Seminar:** Clientele are typically in a pre-business development stage. Clientele learn to understand the essential elements of a business plan and the purpose for having one. Emphasis is more on whether the proposed business can be feasible than on developing a polished written document. Topics such as understanding the market for a product or service, understanding the competition, and simple financial projections to assess whether the business can be viable will be covered. The program will serve only income eligible, aspiring or existing micro-enterprises.

Outreach and marketing activities include meetings with other non-profit organizations that serve low-mod income clientele for exchange of information on programs, advertise in their newsletters and explore other possible collaborations, direct and partner postcard mailings, e-mails to other class participants, flyer to low-mod income housing areas and community bulletin boards, notices to community calendars in local and area newspapers, public service announcements on local cable TV and radio stations, a listing on websites including Agency, Career Source and a local sponsor bank.

- **Community Development Block Grant Program:** The City of Cambridge is an entitlement City that annually receives a direct allocation of CDBG funds that can be used to fund a variety of activities, which includes economic development, design and construction oversight of parks, playground renovations, housing services, and housing development. Cambridge expects to receive \$3,878,000 in CDBG funds for FY2004.
- **Financial Literacy Training:** This program is designed as a pre-development, pre-entrepreneurship program for residents of the NRS area. The goals of the Agency will be to reach and serve residents who may have an interest in micro-enterprise as an alternative or supplement to employment; to teach clients about financial resources and money management and to identify candidates for the Agency's existing programs that help entrepreneurs plan for and start businesses. The Agency will experiment with class offerings, initially offering one or two-session workshops on financial basics and develop future offerings that build the clientele's financial literacy and help interested clients prepare for entrepreneurship. Based on clientele needs and interest, the workshops will cover topics such as basic banking; budgeting and meeting financial goals, including saving to open a business; investments and credit and credit repair.